

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director


DATE: February 6, 1996

SUBJECT: **SB 2886 - HB 2567**

This bill, if enacted, will amend the current law relative to allocation of tax revenues to sports authorities by providing for the distribution of state and local sales tax revenues to sports authorities only if the local government expends, allocates or pledges such revenue to fund issuance of public debt by or for the sports authority or to fund state-issued public debt. This bill also provides that the tax allocation ceases when the debt incurred has been satisfied. The bill has no impact on contracts executed prior to its effective date.

The fiscal impact from enactment of this bill in the short term is estimated to be not significant, since: (1) current law allows such sales tax revenues to be allocated and distributed to sports authorities unconditionally, and (2) no distribution of state and local sales tax revenues to sports authorities has yet occurred. The long-term fiscal impact from enactment of this bill is estimated to be an increase in state and local sales tax revenues at such time as the debt is retired and revenues cease to be distributed to the sports authority. Such increased revenues in the long term cannot be determined but are estimated to exceed \$1,000,000 to the state and \$100,000 to local governments.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.


James A. Davenport, Executive Director